

**WRITTEN TESTIMONY
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ON BEHALF OF THE WESTERN CT HEALTH NETWORK
(Danbury, Norwalk and New Milford Hospitals)
SUBMITTED TO THE APPROPRIATIONS COMMITTEE
FRIDAY, FEBRUARY 27, 2015**

HB 6824, An Act Concerning The State Budget For The Biennium Ending June Thirtieth 2017, And Making Appropriations Therefor And Other Provisions Related To Revenue

I appreciate the opportunity to submit written testimony opposing HB 6824, An Act Concerning The State Budget For The Biennium Ending June Thirtieth 2017, And Making Appropriations Therefor And Other Provisions Related To Revenue. This bill imposes new taxes and rate cuts to hospitals at a time when we are already struggling with unprecedented change in our industry, decreasing patient volumes, multiple unfunded mandates and regulatory burdens.

While we understand the difficulty the Administration faces with the deficit budget, we cannot pretend to understand the decision to impose cuts of this magnitude to our not-for-profit hospitals once again. The proposed budget would force us to cover more than \$30 million in new cuts to reimbursements on top of the tens of millions we are already paying in taxes. Further, our hospitals face a \$4 million rate reduction for caring for those that are the most vulnerable. This will surely cripple access and drive patients to our emergency departments unnecessarily. This budget also limits the use of tax credits for our hospitals.

Since this tax has been in place, we've made difficult choices and done extraordinary things to minimize the impact to patient care. But it remains very challenging. In the last several years, we have been forced to eliminate important programs and services for patients; reduced our workforce, staff salaries and benefits; and postponed investments in technology and infrastructure. All of this leads to a negative effect on our local economy.

In our progressive organization, clinicians and administration interact and plan on a daily basis regarding complex patient care needs. We are focused on reform and even ahead of the curve as a CMS-recognized ACO. Planning for the longer term however, has become increasing difficult with unexpected cuts coming at hospitals from State and Federal leaders, causing great harm to our organizations, our staff and our community.

We have proposed several innovative solutions including redesigning the Medicaid program with an enhanced focus on our patients. There are shared risk models and other creative solutions to discuss as alternatives to these cuts. I hope you'll allow us the opportunity to convene in discussions before making a decision on across the board cuts which will have a devastating effect on our organization and to those residents we are both tasked with serving.

Please vote no to new cuts to hospitals. Thank you for your consideration.